

HB0475S01 compared with HB0475

~~{deleted text}~~ shows text that was in HB0475 but was deleted in HB0475S01.

Inserted text shows text that was not in HB0475 but was inserted into HB0475S01.

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Senator Jerry W. Stevenson proposes the following substitute bill:

DEDICATED CREDITS AND NONLAPSING AUTHORITY

REVISIONS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Bradley G. Last

Senate Sponsor: Jerry W. Stevenson

LONG TITLE

General Description:

This bill modifies provisions in the Budgetary Procedures Act and other provisions relating to dedicated credits and nonlapsing authority.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ clarifies use of the terms "item of appropriation" and "line item";
- ▶ modifies provisions related to the treatment and expenditure of dedicated credits;
- ▶ provides procedures for submitting and revising budget execution plans;
- ▶ modifies provisions relating to nonlapsing appropriations; ~~{and}~~

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- ▶ reorganizes existing classifications of:
 - nonlapsing appropriations from accounts and ~~{programs}~~ funds; and
 - appropriations to programs ~~{.}~~ and
- ▶ adds a public safety answering point emergency telecommunications service fund to the list of non-lapsing programs.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides coordination clauses.

Utah Code Sections Affected:

AMENDS:

26-1-6, as last amended by Laws of Utah 2009, Chapter 183

41-1a-121, as enacted by Laws of Utah 2011, Chapter 189

41-1a-1221, as last amended by Laws of Utah 2012, Chapter 397

41-3-601, as last amended by Laws of Utah 2015, Chapter 93

41-3-604, as last amended by Laws of Utah 2011, Chapter 189

41-22-36, as last amended by Laws of Utah 2011, Chapter 189

53C-1-201, as last amended by Laws of Utah 2016, Chapter 193

54-5-1.5, as last amended by Laws of Utah 2017, Chapter 396

62A-1-111.5, as enacted by Laws of Utah 2017, Chapter 330 and further amended by
Revisor Instructions, Laws of Utah 2017, Chapter 330

62A-1-202, as enacted by Laws of Utah 2014, Chapter 37

63I-1-263, as last amended by Laws of Utah 2017, Chapters 23, 47, 95, 166, 205, 469,
and 470

63I-2-263, as last amended by Laws of Utah 2017, First Special Session, Chapter 1

63J-1-102, as last amended by Laws of Utah 2015, Chapter 175

63J-1-104, as last amended by Laws of Utah 2013, Chapter 310

63J-1-206, as last amended by Laws of Utah 2017, First Special Session, Chapter 1

63J-1-209, as renumbered and amended by Laws of Utah 2009, Chapters 183 and 368

63J-1-217, as last amended by Laws of Utah 2013, Chapter 310

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63J-1-601, as last amended by Laws of Utah 2016, Chapter 271

63J-1-602, as last amended by Laws of Utah 2010, Chapters 9, 10, 218, 265, 277, 278, 287, 324, 379, 391, 399 and last amended by Coordination Clause, Laws of Utah 2010, Chapter 265

63J-2-102, as last amended by Laws of Utah 2017, Chapter 363

63J-2-201, as renumbered and amended by Laws of Utah 2008, Chapter 382

63J-2-202, as last amended by Laws of Utah 2012, Chapter 102

63J-4-301, as last amended by Laws of Utah 2013, Chapter 310

63N-8-103, as last amended by Laws of Utah 2016, Chapter 51

73-18-25, as last amended by Laws of Utah 2011, Chapter 189

ENACTS:

63J-1-105, Utah Code Annotated 1953

REPEALS AND REENACTS:

63J-1-602.1 (Superseded 09/30/18), as last amended by Laws of Utah 2017, Chapters 88, 194, and 383

63J-1-602.1 (Effective 09/30/18), as last amended by Laws of Utah 2017, Chapters 88, 107, 194, and 383

63J-1-602.2, as last amended by Laws of Utah 2015, Chapters 86, 93, and 189

REPEALS:

63J-1-602.3, as last amended by Laws of Utah 2017, Chapters 396 and 423

63J-1-602.4, as last amended by Laws of Utah 2017, Chapters 253, 430, and 470

63J-1-602.5, as last amended by Laws of Utah 2016, Chapter 177

Utah Code Sections Affected by Coordination Clause:

63J-1-602.2, as last amended by Laws of Utah 2015, Chapters 86, 93, and 189

63J-1-602.3, as last amended by Laws of Utah 2017, Chapters 396 and 423

63J-1-602.4, as last amended by Laws of Utah 2017, Chapters 253, 430, and 470

63J-1-602.1 (Superseded 09/30/18), as last amended by Laws of Utah 2017, Chapters 88, 194, and 383

63J-1-602.1 (Effective 09/30/18), as last amended by Laws of Utah 2017, Chapters 88, 107, 194, and 383

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Be it enacted by the Legislature of the state of Utah:

Section 1. Section **26-1-6** is amended to read:

26-1-6. Fee schedule adopted by department.

(1) The department may adopt a schedule of fees that may be assessed for services rendered by the department, provided that the fees are:

- (a) reasonable and fair; and
- (b) submitted to the Legislature as part of the department's annual appropriations

request.

(2) When the department submits a fee schedule to the Legislature, the Legislature, in accordance with Section 63J-1-504, may:

- (a) approve the fee;
- (b) increase or decrease and approve the fee; or
- (c) reject any fee submitted to it.

(3) Fees approved by the Legislature pursuant to this section shall be paid into the state treasury [~~in accordance with Section 63J-1-104~~].

Section 2. Section **41-1a-121** is amended to read:

41-1a-121. Electronic Payment Fee Restricted Account.

(1) As used in this section, "account" means the Electronic Payment Fee Restricted Account created by this section.

(2) There is created within the General Fund a restricted account known as the Electronic Payment Fee Restricted Account.

(3) (a) The account shall be funded from the fees imposed and collected under Sections 41-1a-1221, 41-3-604, 41-22-36, and 73-18-25.

(b) The fees described in Subsection (3)(a) shall be paid to the division, which shall deposit them in the account.

(4) The Legislature shall appropriate the funds in the account to the commission to cover the costs of electronic payments.

(5) In accordance with Section [~~63J-1-602.2~~] 63J-1-602.1, appropriations made to the division from the account are nonlapsing.

Section 3. Section **41-1a-1221** is amended to read:

41-1a-1221. Fees to cover the cost of electronic payments.

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(1) As used in this section:

(a) "Electronic payment" means use of any form of payment processed through electronic means, including credit cards, debit cards, and automatic clearinghouse transactions.

(b) "Electronic payment fee" means the fee assessed to defray:

(i) the charge, discount fee, or processing fee charged by credit card companies or processing agents to process an electronic payment; or

(ii) costs associated with the purchase of equipment necessary for processing electronic payments.

(2) (a) The Motor Vehicle Division may collect an electronic payment fee on all registrations and renewals of registration under Subsections 41-1a-1206(1)(a), (1)(b), (2)(a), (2)(b), and (3).

(b) The fee described in Subsection (2)(a):

(i) shall be imposed regardless of the method of payment for a particular transaction; and

(ii) need not be separately identified from the fees imposed for registration and renewals of registration under Subsections 41-1a-1206(1)(a), (1)(b), (2)(a), (2)(b), and (3).

(3) The division shall establish the fee according to the procedures and requirements of Section 63J-1-504.

(4) A fee imposed under this section:

(a) shall be deposited in the Electronic Payment Fee Restricted Account created by Section 41-1a-121; and

(b) is not subject to Subsection [~~63J-2-202(2)~~] 63J-1-105(3) or (4).

Section 4. Section **41-3-601** is amended to read:

41-3-601. Fees.

(1) The administrator shall collect fees determined by the commission under Section 63J-1-504 for each of the following:

- (a) new motor vehicle dealer's license;
- (b) used motor vehicle dealer's license;
- (c) new motorcycle, off-highway vehicle, and small trailer dealer;
- (d) used motorcycle, off-highway vehicle, and small trailer dealer;
- (e) motor vehicle salesperson's license;

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- (f) motor vehicle salesperson's transfer or reissue fee;
- (g) motor vehicle manufacturer's license;
- (h) motor vehicle transporter's license;
- (i) motor vehicle dismantler's license;
- (j) motor vehicle crusher's license;
- (k) motor vehicle remanufacturer's license;
- (l) body shop's license;
- (m) distributor or factory branch and distributor branch's license;
- (n) representative's license;
- (o) dealer plates;
- (p) dismantler plates;
- (q) manufacturer plates;
- (r) transporter plates;
- (s) damaged plate replacement;
- (t) in-transit permits;
- (u) loaded demonstration permits;
- (v) additional place of business;
- (w) special equipment dealer's license;
- (x) temporary permits; and
- (y) temporary sports event registration certificates.

(2) (a) To pay for training certified vehicle inspectors and enforcement under Sections 41-1a-1001 through 41-1a-1008, the State Tax Commission shall establish and the administrator shall collect inspection fees determined by the commission under Section 63J-1-504.

(b) The division shall use fees collected under Subsection (2)(a) as dedicated credits to be used toward the costs of the division.

(3) (a) At the time of application, the administrator shall collect a fee of \$200 for each salvage vehicle buyer license.

(b) The administrator may retain a portion of the fee under Subsection (3)(a) to offset the administrator's actual costs of administering and enforcing salvage vehicle buyer licenses.

(4) A fee imposed under Subsection (1)(x) or (y):

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(a) shall be deposited into the Motor Vehicle Enforcement Division Temporary Permit Restricted Account created by Section 41-3-110; and

(b) is not subject to Subsection [~~63J-2-202(2)~~] 63J-1-105(3) or (4).

Section 5. Section **41-3-604** is amended to read:

41-3-604. Fee to cover the cost of electronic payments.

(1) As used in this section:

(a) "Electronic payment" has the same meaning as defined in Section 41-1a-1221.

(b) "Electronic payment fee" has the same meaning as defined in Section 41-1a-1221.

(2) (a) The division may collect a fee to cover the cost of electronic payments on the following transactions:

(i) each purchase or renewal of a license under Section 41-3-202;

(ii) each purchase of a book of temporary permits under Section 41-3-302;

(iii) each penalty issued for a delinquent temporary permit under Section 41-3-302;

(iv) each purchase of an in-transit permit under Section 41-3-305;

(v) each purchase of a loaded demonstration permit under Section 41-3-502;

(vi) each purchase of a license plate under Section 41-3-503; and

(vii) each purchase of a salvage vehicle buyer license under Section 41-3-202.

(b) The fee described in Subsection (2)(a):

(i) shall be imposed regardless of the method of payment for a particular transaction;

and

(ii) need not be separately identified from the fees and penalty described in Subsections (2)(a)(i) through (vii).

(3) The division shall establish the fee under Subsection (2)(a) according to the procedures and requirements of Section 63J-1-504.

(4) A fee imposed under this section:

(a) shall be deposited in the Electronic Payment Fee Restricted Account created by Section 41-1a-121; and

(b) is not subject to Subsection [~~63J-2-202(2)~~] 63J-1-105(3) or (4).

Section 6. Section **41-22-36** is amended to read:

41-22-36. Fees to cover the costs of electronic payments.

(1) As used in this section:

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(a) "Electronic payment" has the same meaning as defined in Section 41-1a-1221.

(b) "Electronic payment fee" has the same meaning as defined in Section 41-1a-1221.

(2) (a) The Motor Vehicle Division may collect an electronic payment fee on all registrations and renewals of registration under Section 41-22-8.

(b) The fee described in Subsection (2)(a) shall be imposed regardless of the method of payment for a particular transaction.

(3) The division shall establish the fee according to the procedures and requirements of Section 63J-1-504.

(4) A fee imposed under this section:

(a) shall be deposited in the Electronic Payment Fee Restricted Account created by Section 41-1a-121;

(b) is not subject to Subsection [~~63J-2-202(2)~~] 63J-1-105(3) or (4); and

(c) need not be separately identified from the fees imposed on registrations and renewals of registration under Section 41-22-8.

Section 7. Section **53C-1-201** is amended to read:

53C-1-201. Creation of administration -- Purpose -- Director -- Participation in Risk Management Fund.

(1) (a) There is established within state government the School and Institutional Trust Lands Administration.

(b) The administration shall manage all school and institutional trust lands and assets within the state, except as otherwise provided in Title 53C, Chapter 3, Deposit and Allocation of Revenue from Trust Lands, and Title 53D, Chapter 1, School and Institutional Trust Fund Management Act.

(2) The administration is an independent state agency and not a division of any other department.

(3) (a) It is subject to the usual legislative and executive department controls except as provided in this Subsection (3).

(b) (i) The director may make rules as approved by the board that allow the administration to classify a business proposal submitted to the administration as protected under Section 63G-2-305, for as long as is necessary to evaluate the proposal.

(ii) The administration shall return the proposal to the party who submitted the

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proposal, and incur no further duties under Title 63G, Chapter 2, Government Records Access and Management Act, if the administration determines not to proceed with the proposal.

(iii) The administration shall classify the proposal pursuant to law if it decides to proceed with the proposal.

(iv) Section 63G-2-403 does not apply during the review period.

(c) The director shall make rules in compliance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, except that the administration is not subject to Subsections 63G-3-301(6) and (7) and Section 63G-3-601, and the director, with the board's approval, may establish a procedure for the expedited approval of rules, based on written findings by the director showing:

(i) the changes in business opportunities affecting the assets of the trust;

(ii) the specific business opportunity arising out of those changes which may be lost without the rule or changes to the rule;

(iii) the reasons the normal procedures under Section 63G-3-301 cannot be met without causing the loss of the specific opportunity;

(iv) approval by at least five board members; and

(v) that the director has filed a copy of the rule and a rule analysis, stating the specific reasons and justifications for its findings, with the Office of Administrative Rules and notified interested parties as provided in Subsection 63G-3-301(10).

(d) (i) The administration shall comply with Title 67, Chapter 19, Utah State Personnel Management Act, except as provided in this Subsection (3)(d).

(ii) The board may approve, upon recommendation of the director, that exemption for specific positions under Subsections 67-19-12(2) and 67-19-15(1) is required in order to enable the administration to efficiently fulfill its responsibilities under the law. The director shall consult with the executive director of the Department of Human Resource Management prior to making such a recommendation.

(iii) The positions of director, deputy director, associate director, assistant director, legal counsel appointed under Section 53C-1-305, administrative assistant, and public affairs officer are exempt under Subsections 67-19-12(2) and 67-19-15(1).

(iv) Salaries for exempted positions, except for the director, shall be set by the director, after consultation with the executive director of the Department of Human Resource

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Management, within ranges approved by the board. The board and director shall consider salaries for similar positions in private enterprise and other public employment when setting salary ranges.

(v) The board may create an annual incentive and bonus plan for the director and other administration employees designated by the board, based upon the attainment of financial performance goals and other measurable criteria defined and budgeted in advance by the board.

(e) The administration shall comply with Title 63G, Chapter 6a, Utah Procurement Code, except where the board approves, upon recommendation of the director, exemption from the Utah Procurement Code, and simultaneous adoption of rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for procurement, which enable the administration to efficiently fulfill its responsibilities under the law.

(f) (i) Except as provided in Subsection (3)(f)(ii), the administration is not subject to the fee agency requirements of Section 63J-1-504.

(ii) The following fees of the administration are subject to the requirements of Section 63J-1-504: application, assignment, amendment, affidavit for lost documents, name change, reinstatement, grazing nonuse, extension of time, partial conveyance, patent reissue, collateral assignment, electronic payment, and processing.

~~[(g) (i) The administration is not subject to Subsection 63J-1-206(3)(f).]~~

(g) (i) Notwithstanding Subsection 63J-1-206(2)(c), the administration may transfer funds between its line items.

(ii) Before transferring appropriated funds between line items, the administration shall submit a proposal to the board for its approval.

(iii) If the board gives approval to a proposal to transfer appropriated funds between line items, the administration shall submit the proposal to the Legislative Executive Appropriations Committee for its review and recommendations.

(iv) The Legislative Executive Appropriations Committee may recommend:

(A) that the administration transfer the appropriated funds between line items;

(B) that the administration not transfer the appropriated funds between line items; or

(C) to the governor that the governor call a special session of the Legislature to supplement the appropriated budget for the administration.

(4) The administration is managed by a director of school and institutional trust lands

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appointed by a majority vote of the board of trustees with the consent of the governor.

(5) (a) The board of trustees shall provide policies for the management of the administration and for the management of trust lands and assets.

(b) The board shall provide policies for the ownership and control of Native American remains that are discovered or excavated on school and institutional trust lands in consultation with the Division of Indian Affairs and giving due consideration to Title 9, Chapter 9, Part 4, Native American Grave Protection and Repatriation Act. The director may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement policies provided by the board regarding Native American remains.

(6) In connection with joint ventures and other transactions involving trust lands and minerals approved under Sections 53C-1-303 and 53C-2-401, the administration, with board approval, may become a member of a limited liability company under Title 48, Chapter 3a, Utah Revised Uniform Limited Liability Company Act, as appropriate pursuant to Section 48-3a-1405 and is considered a person under Section 48-3a-102.

(7) Subject to the requirements of Subsection 63E-1-304(2), the administration may participate in coverage under the Risk Management Fund created by Section 63A-4-201.

Section 8. Section **54-5-1.5** is amended to read:

54-5-1.5. Special regulation fee -- Supplemental Levy Committee -- Supplemental fee -- Fee for electrical cooperatives.

(1) (a) A special fee to defray the cost of regulation is imposed upon all public utilities subject to the jurisdiction of the Public Service Commission.

(b) The special fee is in addition to any charge now assessed, levied, or required by law.

(2) (a) The executive director of the Department of Commerce shall determine the special fee for the Department of Commerce.

(b) The chair of the Public Service Commission shall determine the special fee for the Public Service Commission.

(c) The fee shall be assessed as a uniform percentage of the gross operating revenue for the preceding calendar year derived from each public utility's business and operations during that period within this state, excluding income derived from interstate business. Gross operating revenue shall not include income to a wholesale electric cooperative derived from the

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sale of power to a rural electric cooperative which resells that power within the state.

(3) (a) The executive director of the Department of Commerce shall notify each public utility subject to the provisions of this chapter of the amount of the fee.

(b) The fee is due and payable on or before July 1 of each year.

(4) (a) There is created a restricted account within the General Fund known as the Public Utility Regulatory Restricted Account.

(b) Notwithstanding Subsection 13-1-2(3)(c), the Department of Commerce shall deposit a fee assessed under this section into the Public Utility Regulatory Restricted Account.

(c) Within appropriations by the Legislature:

(i) the Department of Commerce may use the funds in the Public Utility Regulatory Restricted Account to administer:

(A) the Division of Public Utilities; and

(B) the Office of Consumer Services; and

(ii) the Public Service Commission may use the funds in the Public Utility Regulatory Restricted Account to administer the Public Service Commission.

(d) At the end of each fiscal year, the director of the Division of Finance shall transfer into the General Fund any balance in the Public Utility Regulatory Restricted Account in excess of \$3,000,000.

(5) (a) The Legislature intends that the public utilities provide all of the funds for the administration, support, and maintenance of:

(i) the Public Service Commission;

(ii) state agencies within the Department of Commerce involved in the regulation of public utilities; and

(iii) expenditures by the attorney general for utility regulation.

(b) Notwithstanding Subsection (5)(a), the fee imposed by Subsection (1) shall not exceed the greater of:

(i) (A) for a public utility other than an electrical cooperative, .3% of the public utility's gross operating revenues for the preceding calendar year; or

(B) for an electrical cooperative, .15% of the electrical cooperative's gross operating revenues for the preceding calendar year; or

(ii) \$50.

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(6) (a) There is created a Supplemental Levy Committee to levy additional assessments on public utilities when unanticipated costs of regulation occur in any fiscal year.

(b) The Supplemental Levy Committee shall consist of:

(i) one member selected by the executive director of the Department of Commerce;

(ii) one member selected by the chairman of the Public Service Commission;

(iii) two members selected by the three public utilities that paid the largest percent of the current regulatory fee; and

(iv) one member selected by the four appointed members.

(c) (i) The members of the Supplemental Levy Committee shall be selected within 10 working days after the executive director of the Department of Commerce gives written notice to the Public Service Commission and the public utilities that a supplemental levy committee is needed.

(ii) If the members of the Supplemental Levy Committee have not been appointed within the time prescribed, the governor shall appoint the members of the Supplemental Levy Committee.

(d) (i) During any state fiscal year, the Supplemental Levy Committee, by a majority vote and subject to audit by the state auditor, may impose a supplemental fee on the regulated utilities for the purpose of defraying any increased cost of regulation.

(ii) The supplemental fee imposed upon the utilities shall equal a percentage of their gross operating revenue for the preceding calendar year.

(iii) The aggregate of all fees, including any supplemental fees assessed, shall not exceed .3% of the gross operating revenue of the utilities assessed for the preceding calendar year.

(iv) Payment of the supplemental fee is due within 30 days after receipt of the assessment.

(v) The utility may, within 10 days after receipt of assessment, request a hearing before the Public Service Commission if it questions the need for, or the reasonableness of, the supplemental fee.

(e) (i) Any supplemental fee collected to defray the cost of regulation shall be transferred to the state treasurer as a departmental collection [according to the provisions of ~~Section 63J-1-104~~].

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(ii) Supplemental fees are excess collections, credited according to the procedures of Section ~~[63J-1-104]~~ 63J-1-105.

(iii) Charges billed to the Department of Commerce by any other state department, institution, or agency for services rendered in connection with regulation of a utility shall be credited by the state treasurer from the special or supplemental fees collected to the appropriations account of the entity providing that service according to the procedures provided in Title 63J, Chapter 1, Budgetary Procedures Act.

(7) (a) For purposes of this section, "electrical cooperative" means:

(i) a distribution electrical cooperative; or

(ii) a wholesale electrical cooperative.

(b) Subject to Subsection (7)(c), if the regulation of one or more electrical cooperatives causes unanticipated costs of regulation in a fiscal year, the commission may impose a supplemental fee on the one or more electrical cooperatives in this state responsible for the increased cost of regulation.

(c) The aggregate of all fees imposed under this section on an electrical cooperative in a calendar year shall not exceed the greater of:

(i) .3% of the electrical cooperative's gross operating revenues for the preceding calendar year; or

(ii) \$50.

Section 9. Section **62A-1-111.5** is amended to read:

62A-1-111.5. Duties of the department for fiscal year 2018.

Notwithstanding ~~[Section]~~ Subsection 63J-1-206(2)(c), for fiscal year 2018 only, the department may transfer money from savings related to implementation of Laws of Utah 2017, Chapter 330, and nonlapsing balances from fiscal year 2017 between appropriation line items to allocate resources between the Division of Juvenile Justice Services, the Division of Child and Family Services, and the Division of Substance Abuse and Mental Health to facilitate the department's implementation of Laws of Utah 2017, Chapter 330.

Section 10. Section **62A-1-202** is amended to read:

62A-1-202. National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account.

(1) There is created in the General Fund a restricted account known as the "National

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Professional Men's Basketball Team Support of Women and Children Issues Restricted Account."

(2) The account shall be funded by:

- (a) contributions deposited into the account in accordance with Section 41-1a-422;
- (b) private contributions; and
- (c) donations or grants from public or private entities.

(3) Upon appropriation by the Legislature, the department shall distribute funds in the account to one or more charitable organizations that:

- (a) qualify as being tax exempt under Section 501(c)(3) of the Internal Revenue Code;
- (b) have a board that is appointed by the owners that, either on an individual or joint basis, own a controlling interest in a legal entity that is a franchised member of the internationally recognized national governing body for professional men's basketball in the United States;

(c) are headquartered within the state;

(d) create or support programs that focus on issues affecting women and children within the state, with an emphasis on health and education; and

(e) have a board of directors that disperses all funds of the organization.

(4) (a) An organization described in Subsection (3) may apply to the department to receive a distribution in accordance with Subsection (3).

(b) An organization that receives a distribution from the department in accordance with Subsection (3) shall expend the distribution only to:

(i) create or support programs that focus on issues affecting women and children, with an emphasis on health and education;

(ii) create or sponsor programs that will benefit residents within the state; and

(iii) pay the costs of issuing or reordering National Professional Men's Basketball Team Support of Women and Children Issues support special group license plate decals.

(c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules providing procedures for an organization to apply to the department to receive a distribution under this Subsection (4).

(5) In accordance with Section [~~63J-1-602.4~~] 63J-1-602.1, appropriations from the account are nonlapsing.

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Section 11. Section **63I-1-263** is amended to read:

63I-1-263. Repeal dates, Titles 63A to 63N.

- (1) Subsection 63A-5-104(4)(h) is repealed on July 1, 2024.
- (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2023.
- (3) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July 1, 2018.
- (4) Title 63C, Chapter 4b, Commission for the Stewardship of Public Lands, is repealed November 30, 2019.
- (5) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1, 2020.
- (6) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is repealed July 1, 2021.
- (7) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1, 2018.
- (8) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1, 2023.
- (9) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2020.
- (10) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.
- (11) On July 1, 2025:
 - (a) in Subsection 17-27a-404(3)(c)(ii), the language that states "the Resource Development Coordinating Committee," is repealed;
 - (b) Subsection 23-14-21(2)(c) is amended to read "(c) provide notification of proposed sites for the transplant of species to local government officials having jurisdiction over areas that may be affected by a transplant.";
 - (c) in Subsection 23-14-21(3), the language that states "and the Resource Development Coordinating Committee" is repealed;
 - (d) in Subsection 23-21-2.3(1), the language that states "the Resource Development Coordinating Committee created in Section 63J-4-501 and" is repealed;
 - (e) in Subsection 23-21-2.3(2), the language that states "the Resource Development Coordinating Committee and" is repealed;

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(f) Subsection 63J-4-102(1) is repealed and the remaining subsections are renumbered accordingly;

(g) Subsections 63J-4-401(5)(a) and (c) are repealed;

(h) Subsection 63J-4-401(5)(b) is renumbered to Subsection 63J-4-401(5)(a) and the word "and" is inserted immediately after the semicolon;

(i) Subsection 63J-4-401(5)(d) is renumbered to Subsection 63J-4-401(5)(b);

(j) Sections 63J-4-501, 63J-4-502, 63J-4-503, 63J-4-504, and 63J-4-505 are repealed; and

(k) Subsection 63J-4-603(1)(e)(iv) is repealed and the remaining subsections are renumbered accordingly.

(12) (a) Subsection [~~63J-1-602.4(15)~~] 63J-1-602.1(~~49~~50), relating to the Utah Statewide Radio System Restricted Account, is repealed July 1, 2022.

(b) When repealing Subsection [~~63J-1-602.4(15)~~] 63J-1-602.1(~~49~~50), the Office of Legislative Research and General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make necessary changes to subsection numbering and cross references.

(13) The Crime Victim Reparations and Assistance Board, created in Section 63M-7-504, is repealed July 1, 2027.

(14) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2027.

(15) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2018.

(16) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is repealed January 1, 2021.

(b) Subject to Subsection (16)(c), Sections 59-7-610 and 59-10-1007 regarding tax credits for certain persons in recycling market development zones, are repealed for taxable years beginning on or after January 1, 2021.

(c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

(i) for the purchase price of machinery or equipment described in Section 59-7-610 or 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

(ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if the expenditure is made on or after January 1, 2021.

(d) Notwithstanding Subsections (16)(b) and (c), a person may carry forward a tax

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credit in accordance with Section 59-7-610 or 59-10-1007 if:

(i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

(ii) (A) for the purchase price of machinery or equipment described in Section 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31, 2020; or

(B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the expenditure is made on or before December 31, 2020.

(17) Section 63N-2-512 is repealed on July 1, 2021.

(18) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed January 1, 2021.

(b) Section 59-9-107 regarding tax credits against premium taxes is repealed for calendar years beginning on or after January 1, 2021.

(c) Notwithstanding Subsection (18)(b), an entity may carry forward a tax credit in accordance with Section 59-9-107 if:

(i) the person is entitled to a tax credit under Section 59-9-107 on or before December 31, 2020; and

(ii) the qualified equity investment that is the basis of the tax credit is certified under Section 63N-2-603 on or before December 31, 2023.

(19) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program, is repealed January 1, 2023.

(20) Title 63N, Chapter 12, Part 3, Utah Broadband Outreach Center, is repealed July 1, 2018.

(21) Title 63N, Chapter 12, Part 4, Career and Technical Education Board, is repealed July 1, 2018.

Section 12. Section **63I-2-263** is amended to read:

63I-2-263. Repeal dates, Title 63A to Title 63N.

(1) Section 63A-5-227 is repealed on January 1, 2018.

(2) Section 63H-7a-303 is repealed on July 1, 2022.

(3) On July 1, 2019:

(a) in Subsection 63J-1-206~~[(3)]~~(2)(c)(i), the language that states "[~~(i)~~ Except as provided in] Subsection ~~[(3)]~~(2)(c)(ii) and" is repealed; and

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(b) Subsection 63J-1-206[(3)](2)(c)(ii) is repealed.

(4) Subsection 63N-3-109(2)(f)(i)(B) is repealed July 1, 2020.

(5) Section 63N-3-110 is repealed July 1, 2020.

Section 13. Section **63J-1-102** is amended to read:

63J-1-102. Definitions.

As used in this chapter:

(1) "Agency" means a unit of accounting, typically associated with a department, division, board, council, committee, institution, office, bureau, or other similar administrative unit of state government, that includes line items and programs.

(2) "Budget execution plan" means a {detailed} proposal submitted by an administrative unit of state government to the Division of Finance enumerating expected revenues and authorized expenditures within line items and among programs.

[(+)] (3) "Debt service" means the money that is required annually to cover the repayment of interest and principal on state debt.

[(2)] (4) (a) "Dedicated credits" means collections by an agency that are deposited directly into an account for expenditure [on a separate line item and program] by the agency.

(b) "Dedicated credits" includes collections from assessments, contributions, donations, fees, fines, licenses, penalties, rental, sales, non-federal grants, or other collections not:

(i) otherwise designated by law for deposit into another fund or account; or

(ii) specifically excluded from the definition.

(c) "Dedicated credits" does not mean:

(i) federal revenues and the related pass through or the related state match paid by one agency to another;

(ii) revenues that are not deposited in governmental funds; or

(iii) revenues from any contracts.

[(3)] (5) "Federal revenues" means collections by an agency from a federal source that are deposited into an account for expenditure [on a separate line item and program] by the agency.

[(4)] "Fixed collections" means collections that are:

[(a) fixed at a specific amount by law or by an appropriation act; and]

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~~[(b) required to be deposited into a separate line item and program.]~~

~~[(5)]~~ (6) "Free revenue" includes:

(a) collections that are required by law to be deposited in:

(i) the General Fund;

(ii) the Education Fund;

(iii) the Uniform School Fund; or

(iv) the Transportation Fund;

(b) collections that are not otherwise designated by law;

(c) collections that are not externally restricted; and

(d) collections that are not included in an approved work program.

(7) (a) "Item of appropriation" means an authorization of expenditure contained in legislation that appropriates funds and includes the following:

(i) the name of the agency and line item to which authorization is granted; and

(ii) sources of finance from which authorization is granted and associated amounts authorized.

(b) "Item of appropriation" also includes:

(i) a schedule of programs;

(ii) intent language;

(iii) approved full-time equivalent employment;

(iv) authorized capital outlay; and

(v) other conditions of appropriation.

(8) "Line item" means a unit of accounting, typically representing an administrative unit of state government within an agency, that contains one or more programs.

~~[(6)]~~ (9) "Major revenue types" means:

(a) free revenue;

(b) restricted revenue; and

(c) dedicated credits~~[, and]~~.

~~[(d) fixed collections.]~~

(10) "Program" means a unit of accounting included on a schedule of programs within a line item used to track budget authorizations, collections, and expenditures on specific purposes or functions.

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~~[(7)]~~ (11) "Restricted revenue" means collections that are:

- (a) deposited, by law, into a separate fund, subfund, or account; and
- (b) designated for a specific program or purpose.

(12) "Schedule of programs" means a list of programs and associated authorization amounts within an item of appropriation.

Section 14. Section **63J-1-104** is amended to read:

63J-1-104. Revenue types -- Disposition of free revenue and restricted revenue.

(1) (a) The Division of Finance shall:

- (i) account for revenues in accordance with generally accepted accounting principles;

and

- (ii) use the major revenue types in internal accounting.

(b) Each agency shall:

- (i) use the major revenue types to account for revenues;

(ii) deposit revenues and other public funds received by them by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and

- (iii) expend revenues and public funds as required by this chapter.

(2) (a) Each agency shall deposit its free revenues into the appropriate fund.

(b) An agency may expend free revenues up to the amount specifically appropriated by the Legislature.

(c) Any free revenue funds appropriated by the Legislature to an agency that remain unexpended at the end of the fiscal year lapse to the source fund unless the Legislature provides by law that those funds are nonlapsing.

(3) (a) Each agency shall deposit its restricted revenues into the applicable restricted account or fund.

(b) Revenues in a restricted account or fund do not lapse to another account or fund unless otherwise specifically provided for by law or legislative appropriation.

(c) The Legislature may appropriate restricted revenues from a restricted account or fund for the specific purpose or program designated by law.

(d) If the fund equity of a restricted account or fund is insufficient to provide the accounts appropriated from it by the Legislature, the Division of Finance may reduce the appropriation to a level that ensures that the fund equity is not less than zero.

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(e) Any restricted revenues appropriated by the Legislature to an agency that remain unexpended at the end of the fiscal year lapse to the applicable restricted account or fund unless the Legislature provides by law that those appropriations, or the program or line item financed by those appropriations, are nonlapsing.

~~[(4)(a) An agency may expend dedicated credits for any purpose within the program or line item.]~~

~~[(b)(i) Except as provided in Subsection (4)(b)(ii), an agency may not expend dedicated credits in excess of the amount appropriated as dedicated credits by the Legislature.]~~

~~[(ii) In order to expend dedicated credits in excess of the amount appropriated as dedicated credits by the Legislature, the following procedure shall be followed:]~~

~~[(A) The agency seeking to make the excess expenditure shall:]~~

~~[(f) develop a new work program that:]~~

~~[(Aa) consists of the currently approved work program and the excess expenditure sought to be made; and]~~

~~[(Bb) complies with the requirements of Section 63J-2-202;]~~

~~[(H) prepare a written justification for the new work program that sets forth the purpose and necessity of the excess expenditure; and]~~

~~[(HH) submit the new work program and the written justification for the new work program to the Division of Finance.]~~

~~[(B) The Division of Finance shall process the new work program with written justification and make this information available to the Governor's Office of Management and Budget and the legislative fiscal analyst.]~~

~~[(iii) An expenditure of dedicated credits in excess of amounts appropriated as dedicated credits by the Legislature may not be used to permanently increase personnel within the agency unless:]~~

~~[(A) the increase is approved by the Legislature; or]~~

~~[(B) the money is deposited as a dedicated credit in a line item covering tuition or federal vocational funds at an institution of higher education.]~~

~~[(c)(i) All excess dedicated credits lapse to the appropriate fund at the end of the fiscal year unless the Legislature has designated the entire program or line item that is partially or fully funded from dedicated credits as nonlapsing.]~~

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~~[(ii) The Division of Finance shall determine the appropriate fund into which the dedicated credits lapse.]~~

~~[(5) (a) The Legislature may establish by law the maximum amount of fixed collections that an agency may expend.]~~

~~[(b) If an agency receives less than the maximum amount of expendable fixed collections established by law, the agency's authority to expend is limited to the amount of fixed collections that it receives.]~~

~~[(c) If an agency receives fixed collections greater than the maximum amount of expendable fixed collections established by law, those excess amounts lapse to the General Fund, the Education Fund, the Transportation Fund, or the Transportation Investment Fund of 2005 as designated by the director of the Division of Finance at the end of the fiscal year.]~~

~~[(6)]~~ (4) Unless otherwise specifically provided by law, when an agency has a program or line item that is funded by ~~[more than one major revenue type: (a) the agency shall expend its dedicated credits and fixed collections first; and (b) if the program or line item includes]~~ both free revenue and restricted revenue, an agency shall expend those revenues based upon a proration of the amounts appropriated from each of those major revenue types.

Section 15. Section **63J-1-105** is enacted to read:

63J-1-105. Revenue types -- Disposition of dedicated credits.

(1) An agency may expend dedicated credits for any purpose within the program or line item.

(2) Except as provided in Subsections (3) and (4), an agency may not expend dedicated credits in excess of the amount appropriated to a line item as dedicated credits by the Legislature.

(3) Each agency that receives dedicated credits revenue greater than the amount appropriated to a line item by the Legislature in the annual appropriations acts may expend the excess up to 25% of the amount appropriated if the expenditure is included in a revised budget execution plan approved as provided in Section 63J-1-209.

(4) Notwithstanding the requirements of Subsection (3), when an agency's dedicated credits revenue represents over 90% of the budget of the line item for which the dedicated credits are collected, the agency may expend 100% of the excess of the amount appropriated if the expenditure is authorized by an amended budget execution plan approved as provided in

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Subsection (3) and Section 63J-1-209.

(5) An expenditure of dedicated credits in excess of amounts appropriated to a line item as dedicated credits by the Legislature may not be used to permanently increase personnel within the agency unless:

(a) the increase is approved by the Legislature; or

(b) the money is deposited as a dedicated credit in a line item covering tuition or federal vocational funds at an institution of higher education.

(6) (a) All excess dedicated credits not received or expended in compliance with Subsection (3), ~~(4)~~, or ~~(4)~~⁷ lapse to the General Fund or other appropriate fund as free or restricted revenue at the end of the fiscal year.

(b) The Division of Finance shall determine the appropriate fund into which the dedicated credits lapse.

(7) (a) When an agency has a line item that is funded by more than one major revenue type, one of which is dedicated credits, the agency shall completely expend authorized dedicated credits within the current fiscal year and allocate unused spending authorization among other funding sources based upon a proration of the amounts appropriated from each of those major revenue types not attributable to dedicated credits, unless the Legislature has designated a portion of the dedicated credits as nonlapsing, in which case the agency shall completely expend within the current fiscal year authorized dedicated credits minus the portion of dedicated credits designated as nonlapsing, and allocate unused spending authorization among the other funding sources based upon a proration of the amounts appropriated from each of those major revenue types not attributable to dedicated credits.

(b) Nothing in Subsection (7)(a) shall be construed to allow an agency to receive and expend dedicated credits in excess of legislative appropriations to a line item without complying with Subsection (3) or (4).

(c) Each agency that receives dedicated credits shall report, to the Division of Finance, any balances remaining in those funds at the conclusion of each fiscal year.

(8) Each agency shall include in its annual budget request estimates of dedicated credits revenue that is identified by, collected for, or set by the agency.

Section 16. Section **63J-1-206** is amended to read:

63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures --

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Transfer of funds -- Exclusion.

~~[(1) As used in this section, "work program" means a budget that contains revenues and expenditures for specific purposes or functions within an item of appropriation.]~~

~~[(2)]~~ (1) (a) Except as provided in Subsection (2)(b), (3)(e), or where expressly exempted in the appropriating act:

(i) all money appropriated by the Legislature is appropriated upon the terms and conditions set forth in this chapter; and

(ii) any department, agency, or institution that accepts money appropriated by the Legislature does so subject to the requirements of this chapter.

(b) This section does not apply to:

(i) the Legislature and its committees; and

(ii) the Investigation Account of the Water Resources Construction Fund, which is governed by Section 73-10-8.

~~[(3)]~~ (2) (a) Each item of appropriation ~~[item]~~ is to be expended subject to any schedule of programs and any restriction attached to the item of appropriation ~~[item]~~, as designated by the Legislature.

(b) Each schedule of programs or restriction attached to an appropriation item:

(i) is a restriction or limitation upon the expenditure of the respective appropriation made;

(ii) does not itself appropriate any money; and

(iii) is not itself an item of appropriation.

(c) (i) Except as provided in Subsection ~~[(3)]~~ (2)(c)(ii) and Subsection (2)(c)(iii), an appropriation or any surplus of any appropriation may not be diverted from any department, agency, institution, ~~[or] division, or line item~~ to any other department, agency, institution, ~~[or] division, or line item~~.

(ii) Until July 1, 2019, the Department of Workforce Services may transfer or divert money to another department, agency, institution, ~~[or] division, or line item~~ only for the purposes of law enforcement, adjudication, corrections, and providing and addressing services for homeless individuals and families.

(iii) The state superintendent may transfer money appropriated for the Minimum School Program between line items in accordance with Section 53F-2-205.

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(d) The money appropriated subject to a schedule ~~[or]~~ of programs or restriction may be used only for the purposes authorized.

(e) In order for a department, agency, or institution to transfer money appropriated to it from one program to another program within ~~[an item of appropriation, the following procedure shall be followed:]~~ a line item, the department, agency, or institution shall revise its budget execution plan as provided in Section 63J-1-209.

~~[(i) The department, agency, or institution seeking to make the transfer shall prepare:]~~

~~[(A) a new work program for the fiscal year involved that consists of the currently approved work program and the transfer sought to be made; and]~~

~~[(B) a written justification for the new work program that sets forth the purpose and necessity for the transfer:]~~

~~[(ii) The Division of Finance shall process the new work program with written justification and make this information available to the Governor's Office of Management and Budget and the legislative fiscal analyst.]~~

~~[(f) (i) Except as provided in Subsection (3)(f)(ii), money may not be transferred from one item of appropriation to any other item of appropriation:]~~

~~[(ii) The state superintendent may transfer money appropriated for the Minimum School Program between line items of appropriation in accordance with Section 53A-17a-105:]~~

~~[(g)]~~ (f) (i) The procedures for transferring money between programs within ~~[an item of appropriation]~~ a line item as provided by Subsection ~~[(3)]~~ (2)(e) do not apply to money appropriated to the State Board of Education for the Minimum School Program or capital outlay programs created in Title 53A, Chapter 21, Public Education Capital Outlay Act.

(ii) The state superintendent may transfer money appropriated for the programs specified in Subsection ~~[(3)(g)(i)]~~ (2)(f)(i) only as provided by Section 53A-17a-105.

Section 17. Section **63J-1-209** is amended to read:

63J-1-209. Director of finance to exercise accounting control -- Budget execution plans -- Allotments and expenditures.

(1) The director of finance shall exercise accounting control over all state departments, institutions, and agencies other than the Legislature and legislative committees.

(2) (a) The director shall require the head of each department to submit, by May 15 of each year, a ~~[work program]~~ budget execution plan for the next fiscal year.

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(b) The director may require any department to submit a ~~[work program]~~ budget execution plan for any other period.

(3) The ~~[work program]~~ budget execution plan shall include appropriations and all other funds from any source made available to the department for its operation and maintenance for the period and program authorized by ~~[the appropriation act]~~ legislation that appropriates funds.

~~[(4) Subject to the requirements of Subsection 63J-1-206(3)(c), the Division of Finance shall, upon request from the governor, revise, alter, decrease, or change work programs.]~~

(4) (a) In order to revise a budget execution plan, the department, agency, or institution seeking to revise the budget execution plan shall:

(i) develop a new budget execution plan that consists of the currently approved budget execution plan and the revision sought to be made;

(ii) prepare a written justification for the new budget execution plan that sets forth the purpose and necessity of the revision; and

(iii) submit the new budget execution plan and the written justification for the new budget execution plan to the Division of Finance.

(b) The Division of Finance shall process the new budget execution plan with written justification and make this information available to the Governor's Office of Management and Budget and the legislative fiscal analyst.

(5) Upon request from the Governor's Office of Management and Budget, the Division of Finance shall revise budget execution plans.

~~[(5)]~~ (6) Notwithstanding the requirements of Title 63J, Chapter 2, Revenue Procedures and Control Act, the aggregate of the ~~[work program changes]~~ budget execution plan revisions may not exceed the total appropriations or other funds from any source that are available to the ~~[department]~~ agency line item for the fiscal year in question.

~~[(6) The Division of Finance shall transmit a copy of the changes, when approved by the governor, to:]~~

~~[(a) the head of the department concerned; and]~~

~~[(b) the legislative analyst.]~~

(7) Upon ~~[request, review, and approval by the governor]~~ transmittal of the new budget execution plan to the entities in Subsection ~~(5)~~ 4, the Division of Finance shall permit all

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expenditures to be made from the appropriations or other funds from any source on the basis of those [~~work programs~~] budget execution plans.

(8) The Division of Finance shall, through statistical sampling methods or other means, audit all claims against the state for which an appropriation has been made.

Section 18. Section **63J-1-217** is amended to read:

63J-1-217. Overexpenditure of budget by agency -- Prorating budget income shortfall.

(1) Expenditures of departments, agencies, and institutions of state government shall be kept within revenues available for such expenditures.

(2) (a) Line items of appropriation shall not be overexpended.

(b) Notwithstanding Subsection (2)(a), if an agency's line item is overexpended at the close of a fiscal year:

(i) the director of the Division of Finance may make payments from the line item to vendors for goods or services that were received on or before June 30; and

(ii) the director of the Division of Finance shall immediately reduce the agency's line item budget in the current year by the amount of the overexpenditure.

(c) Each agency with an overexpended line item shall:

(i) prepare a written report explaining the reasons for the overexpenditure; and

(ii) present the report to:

(A) the Board of Examiners as required by Section 63G-9-301; and

(B) the Office of the Legislative Fiscal Analyst.

(3) (a) As used in this Subsection (3):

(i) "Education Fund budget deficit" has the same meaning as in Section 63J-1-312; and

(ii) "General Fund budget deficit" has the same meaning as in Section 63J-1-312.

(b) If an Education Fund budget deficit or a General Fund budget deficit exists and the adopted estimated revenues were prepared in consensus with the Governor's Office of Management and Budget, the governor shall:

(i) direct state agencies to reduce commitments and expenditures by an amount proportionate to the amount of the deficiency; and

(ii) direct the Division of Finance to reduce allotments to institutions of higher education by an amount proportionate to the amount of the deficiency.

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(c) The governor's directions under Subsection (3)(b) are rescinded when the Legislature rectifies the Education Fund budget deficit and the General Fund budget deficit.

(4) (a) A department may not receive an advance of funds that cannot be covered by anticipated revenue within the [~~work program~~] budget execution plan of the fiscal year, unless the governor allocates money from the governor's emergency appropriations.

(b) All allocations made from the governor's emergency appropriations shall be reported to the budget subcommittee of the Legislative Management Committee by notifying the Office of the Legislative Fiscal Analyst at least 15 days before the effective date of the allocation.

(c) Emergency appropriations shall be allocated only to support activities having existing legislative approval and appropriation, and may not be allocated to any activity or function rejected directly or indirectly by the Legislature.

Section 19. Section **63J-1-601** is amended to read:

63J-1-601. End of fiscal year -- Unexpended balances -- Funds not to be closed out -- Pending claims -- Transfer of amounts from item of appropriation -- Nonlapsing accounts and funds -- Institutions of higher education to report unexpended balances.

(1) As used in this section, "transaction control number" means the unique numerical identifier established by the Department of Health to track each medical claim and indicates the date on which the claim is entered.

(2) On or before August 31 of each fiscal year, the director of the Division of Finance shall close out to the proper fund or account all remaining unexpended and unencumbered balances of appropriations made by the Legislature, except:

(a) those funds classified under Title 51, Chapter 5, Funds Consolidation Act, as:

- (i) enterprise funds;
- (ii) internal service funds;
- (iii) trust and agency funds;
- (iv) capital projects funds;
- (v) discrete component unit funds;
- (vi) debt service funds; and
- (vii) permanent funds;

(b) those [~~revenue collections~~], appropriations from a fund or account[;] or

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appropriations to a program that are designated as nonlapsing under ~~[Sections]~~ Section 63J-1-602.1 ~~[through 63J-1-602.5]~~ or 63J-1-602.2;

(c) expendable special revenue funds, unless specifically directed to close out the fund in the fund's enabling legislation;

(d) acquisition and development funds appropriated to the Division of Parks and Recreation;

(e) funds encumbered to pay purchase orders issued prior to May 1 for capital equipment if delivery is expected before June 30; and

(f) unexpended and unencumbered balances of appropriations that meet the requirements of Section 63J-1-603.

(3) (a) Liabilities and related expenses for goods and services received on or before June 30 shall be recognized as expenses due and payable from appropriations made prior to June 30.

(b) The liability and related expense shall be recognized within time periods established by the Division of Finance but shall be recognized not later than August 31.

(c) Liabilities and expenses not so recognized may be paid from regular departmental appropriations for the subsequent fiscal year, if these claims do not exceed unexpended and unencumbered balances of appropriations for the years in which the obligation was incurred.

(d) No amounts may be transferred from an item of appropriation of any department, institution, or agency into the Capital Projects Fund or any other fund without the prior express approval of the Legislature.

(4) (a) For purposes of this chapter, a claim processed under the authority of Title 26, Chapter 18, Medical Assistance Act:

(i) is not a liability or an expense to the state for budgetary purposes, unless the Division of Health Care Financing receives the claim within the time periods established by the Division of Finance under Subsection (3)(b); and

(ii) is not subject to Subsection (3)(c).

(b) The transaction control number that the Division of Health Care Financing records on each claim invoice is the date of receipt.

(5) (a) For purposes of this chapter, a claim processed in accordance with Title 35A, Chapter 13, Utah State Office of Rehabilitation Act:

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(i) is not a liability or an expense to the state for budgetary purposes, unless the Utah State Office of Rehabilitation receives the claim within the time periods established by the Division of Finance under Subsection (3)(b); and

(ii) is not subject to Subsection (3)(c).

(b) (i) The Utah State Office of Rehabilitation shall mark each claim invoice with the date on which the Utah State Office of Rehabilitation receives the claim invoice.

(ii) The date described in Subsection (5)(b)(i) is the date of receipt for purposes of this section.

(6) Any balance from an appropriation to a state institution of higher education that remains unexpended at the end of the fiscal year shall be reported to the Division of Finance by the September 1 following the close of the fiscal year.

Section 20. Section **63J-1-602** is amended to read:

63J-1-602. Nonlapsing appropriations.

(1) The [~~revenue collections,~~] appropriations from a fund or account[;] and appropriations to a program that are listed in [~~Sections~~] Section 63J-1-602.1 [through 63J-1-602.5] or 63J-1-602.2 are nonlapsing.

(2) No [~~revenue collection,~~] appropriation from a fund or account[;] or appropriation to a program may be treated as nonlapsing unless:

(a) it is listed in [~~Sections~~] Section 63J-1-602.1 [through 63J-1-602.5] or 63J-1-602.2;

(b) it is designated in a condition of appropriation in the appropriations bill; or

(c) nonlapsing authority is granted under Section 63J-1-603.

(3) Each legislative appropriations subcommittee shall review the accounts and funds that have been granted nonlapsing authority under the provisions of this section or Section 63J-1-603.

Section 21. Section **63J-1-602.1 (Superseded 09/30/18)** is repealed and reenacted to read:

63J-1-602.1 (Superseded 09/30/18). List of nonlapsing appropriations from accounts and funds.

Appropriations made from the following accounts or funds are nonlapsing:

(1) The Utah Intracurricular Student Organization Support for Agricultural Education and Leadership Restricted Account created in Section 4-42-102.

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- (2) The Native American Repatriation Restricted Account created in Section 9-9-407.
- (3) The Martin Luther King, Jr. Civil Rights Support Restricted Account created in Section 9-18-102.
- (4) The National Professional Men's Soccer Team Support of Building Communities Restricted Account created in Section 9-19-102.
- (5) Funds collected for directing and administering the C-PACE district created in Section 11-42a-302.
- (6) Award money under the State Asset Forfeiture Grant Program, as provided under Section 24-4-117.
- (7) Funds collected from the program fund for local health department expenses incurred in responding to a local health emergency under Section 26-1-38.
- (8) Funds collected from the emergency medical services grant program, as provided in Section 26-8a-207.
- (9) The Prostate Cancer Support Restricted Account created in Section 26-21a-303.
- (10) The Children with Cancer Support Restricted Account created in Section 26-21a-304.
- (11) State funds for matching federal funds in the Children's Health Insurance Program as provided in Section 26-40-108.
- (12) The Children with Heart Disease Support Restricted Account created in Section 26-58-102.
- (13) The Technology Development Restricted Account created in Section 31A-3-104.
- (14) The Criminal Background Check Restricted Account created in Section 31A-3-105.
- (15) The Captive Insurance Restricted Account created in Section 31A-3-304, except to the extent that Section 31A-3-304 makes the money received under that section free revenue.
- (16) The Title Licensee Enforcement Restricted Account created in Section 31A-23a-415.
- (17) The Health Insurance Actuarial Review Restricted Account created in Section 31A-30-115.
- (18) The Insurance Fraud Investigation Restricted Account created in Section 31A-31-108.

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(19) The Underage Drinking Prevention Media and Education Campaign Restricted Account created in Section 32B-2-306.

(20) The Youth Development Organization Restricted Account created in Section 35A-8-1903.

(21) The Youth Character Organization Restricted Account created in Section 35A-8-2003.

(22) Money received by the Utah State Office of Rehabilitation for the sale of certain products or services, as provided in Section 35A-13-202.

(23) The Oil and Gas Conservation Account created in Section 40-6-14.5.

(24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to the Motor Vehicle Division.

(25) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account created by Section 41-3-110 to the State Tax Commission.

(26) The Utah Law Enforcement Memorial Support Restricted Account created in Section 53-1-120.

(27) The State Disaster Recovery Restricted Account to the Division of Emergency Management, as provided in Section 53-2a-603.

(28) The Department of Public Safety Restricted Account to the Department of Public Safety, as provided in Section 53-3-106.

(29) The Utah Highway Patrol Aero Bureau Restricted Account created in Section 53-8-303.

(30) The DNA Specimen Restricted Account created in Section 53-10-407.

(31) The Canine Body Armor Restricted Account created in Section 53-16-201.

(32) A certain portion of money collected for administrative costs under the School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.

(33) The School Readiness Restricted Account created in Section 53F-9-402.

(34) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5, subject to Subsection 54-5-1.5(4)(d).

(35) Certain fines collected by the Division of Occupational and Professional Licensing for violation of unlawful or unprofessional conduct that are used for education and enforcement purposes, as provided in Section 58-17b-505.

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(36) Certain fines collected by the Division of Occupational and Professional Licensing for use in education and enforcement of the Security Personnel Licensing Act, as provided in Section 58-63-103.

(37) The Relative Value Study Restricted Account created in Section 59-9-105.

(38) The Cigarette Tax Restricted Account created in Section 59-14-204.

(39) Funds paid to the Division of Real Estate for the cost of a criminal background check for a mortgage loan license, as provided in Section 61-2c-202.

(40) Funds paid to the Division of Real Estate for the cost of a criminal background check for principal broker, associate broker, and sales agent licenses, as provided in Section 61-2f-204.

(41) Certain funds donated to the Department of Human Services, as provided in Section 62A-1-111.

(42) The National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account created in Section 62A-1-202.

(43) Certain funds donated to the Division of Child and Family Services, as provided in Section 62A-4a-110.

(44) The Choose Life Adoption Support Restricted Account created in Section 62A-4a-608.

(45) Funds collected by the Office of Administrative Rules for publishing, as provided in Section 63G-3-402.

(46) The Immigration Act Restricted Account created in Section 63G-12-103.

(47) Money received by the military installation development authority, as provided in Section 63H-1-504.

(48) The Computer Aided Dispatch Restricted Account created in Section 63H-7a-303.

(49) The Unified Statewide 911 Emergency Service Account created in Section 63H-7a-304.

(50) The Utah Statewide Radio System Restricted Account created in Section 63H-7a-403.

(51) The Employability to Careers Program Restricted Account created in Section 63J-4-703.

(52) The Motion Picture Incentive Account created in Section 63N-8-103.

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(53) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, as provided under Section 63N-10-301.

(54) Funds collected by the housing of state probationary inmates or state parole inmates, as provided in Subsection 64-13e-104(2).

(55) Certain forestry and fire control funds utilized by the Division of Forestry, Fire, and State Lands, as provided in Section 65A-8-103.

(56) Certain funds received by the Office of the State Engineer for well drilling fines or bonds, as provided in Section 73-3-25.

(57) The Water Resources Conservation and Development Fund, as provided in Section 73-23-2.

(58) Funds donated or paid to a juvenile court by private sources, as provided in Subsection 78A-6-203(1)(c).

(59) Fees for certificate of admission created under Section 78A-9-102.

(60) Funds collected for adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

(61) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State Park, Jordan River State Park, and Green River State Park, as provided under Section 79-4-403.

(62) Certain funds received by the Division of Parks and Recreation from the sale or disposal of buffalo, as provided under Section 79-4-1001.

(63) Funds collected for indigent defense as provided in Title 77, Chapter 32, Part 8, Utah Indigent Defense Commission.

Section 22. Section **63J-1-602.1 (Effective 09/30/18)** is repealed and reenacted to read:
63J-1-602.1 (Effective 09/30/18). List of nonlapsing appropriations from accounts and funds.

Appropriations made from the following accounts or funds are nonlapsing:

(1) The Utah Intracurricular Student Organization Support for Agricultural Education and Leadership Restricted Account created in Section 4-42-102.

(2) The Native American Repatriation Restricted Account created in Section 9-9-407.

(3) The Martin Luther King, Jr. Civil Rights Support Restricted Account created in Section 9-18-102.

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(4) The National Professional Men's Soccer Team Support of Building Communities Restricted Account created in Section 9-19-102.

(5) Funds collected for directing and administering the C-PACE district created in Section 11-42a-302.

(6) Award money under the State Asset Forfeiture Grant Program, as provided under Section 24-4-117.

(7) Funds collected from the program fund for local health department expenses incurred in responding to a local health emergency under Section 26-1-38.

(8) Funds collected from the emergency medical services grant program, as provided in Section 26-8a-207.

(9) The Prostate Cancer Support Restricted Account created in Section 26-21a-303.

(10) The Children with Cancer Support Restricted Account created in Section 26-21a-304.

(11) State funds for matching federal funds in the Children's Health Insurance Program as provided in Section 26-40-108.

(12) The Children with Heart Disease Support Restricted Account created in Section 26-58-102.

(13) The Technology Development Restricted Account created in Section 31A-3-104.

(14) The Criminal Background Check Restricted Account created in Section 31A-3-105.

(15) The Captive Insurance Restricted Account created in Section 31A-3-304, except to the extent that Section 31A-3-304 makes the money received under that section free revenue.

(16) The Title Licensee Enforcement Restricted Account created in Section 31A-23a-415.

(17) The Health Insurance Actuarial Review Restricted Account created in Section 31A-30-115.

(18) The Insurance Fraud Investigation Restricted Account created in Section 31A-31-108.

(19) The Underage Drinking Prevention Media and Education Campaign Restricted Account created in Section 32B-2-306.

(20) The Youth Development Organization Restricted Account created in Section

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35A-8-1903.

(21) The Youth Character Organization Restricted Account created in Section

35A-8-2003.

(22) Money received by the Utah State Office of Rehabilitation for the sale of certain products or services, as provided in Section 35A-13-202.

(23) The Oil and Gas Conservation Account created in Section 40-6-14.5.

(24) The Electronic Payment Fee Restricted Account created by Section 41-1a-121 to the Motor Vehicle Division.

(25) The Motor Vehicle Enforcement Division Temporary Permit Restricted Account created by Section 41-3-110 to the State Tax Commission.

(26) The Utah Law Enforcement Memorial Support Restricted Account created in Section 53-1-120.

(27) The State Disaster Recovery Restricted Account to the Division of Emergency Management, as provided in Section 53-2a-603.

(28) The Department of Public Safety Restricted Account to the Department of Public Safety, as provided in Section 53-3-106.

(29) The Utah Highway Patrol Aero Bureau Restricted Account created in Section 53-8-303.

(30) The DNA Specimen Restricted Account created in Section 53-10-407.

(31) The Canine Body Armor Restricted Account created in Section 53-16-201.

(32) A certain portion of money collected for administrative costs under the School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.

(33) The School Readiness Restricted Account created in Section 53F-9-402.

(34) The Public Utility Regulatory Restricted Account created in Section 54-5-1.5, subject to Subsection 54-5-1.5(4)(d).

(35) Certain fines collected by the Division of Occupational and Professional Licensing for violation of unlawful or unprofessional conduct that are used for education and enforcement purposes, as provided in Section 58-17b-505.

(36) Certain fines collected by the Division of Occupational and Professional Licensing for use in education and enforcement of the Security Personnel Licensing Act, as provided in Section 58-63-103.

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(37) The Relative Value Study Restricted Account created in Section 59-9-105.

(38) The Cigarette Tax Restricted Account created in Section 59-14-204.

(39) Funds paid to the Division of Real Estate for the cost of a criminal background check for a mortgage loan license, as provided in Section 61-2c-202.

(40) Funds paid to the Division of Real Estate for the cost of a criminal background check for principal broker, associate broker, and sales agent licenses, as provided in Section 61-2f-204.

(41) Certain funds donated to the Department of Human Services, as provided in Section 62A-1-111.

(42) The National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account created in Section 62A-1-202.

(43) Certain funds donated to the Division of Child and Family Services, as provided in Section 62A-4a-110.

(44) The Choose Life Adoption Support Restricted Account created in Section 62A-4a-608.

(45) Funds collected by the Office of Administrative Rules for publishing, as provided in Section 63G-3-402.

(46) The Immigration Act Restricted Account created in Section 63G-12-103.

(47) Money received by the military installation development authority, as provided in Section 63H-1-504.

(48) The Computer Aided Dispatch Restricted Account created in Section 63H-7a-303.

(49) The Unified Statewide 911 Emergency Service Account created in Section 63H-7a-304.

(50) The Utah Statewide Radio System Restricted Account created in Section 63H-7a-403.

(51) The Employability to Careers Program Restricted Account created in Section 63J-4-703.

(52) The Motion Picture Incentive Account created in Section 63N-8-103.

(53) Certain money payable for expenses of the Pete Suazo Utah Athletic Commission, as provided under Section 63N-10-301.

(54) Funds collected by the housing of state probationary inmates or state parole

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inmates, as provided in Subsection 64-13e-104(2).

(55) Certain forestry and fire control funds utilized by the Division of Forestry, Fire, and State Lands, as provided in Section 65A-8-103.

(56) Certain funds received by the Office of the State Engineer for well drilling fines or bonds, as provided in Section 73-3-25.

(57) The Water Resources Conservation and Development Fund, as provided in Section 73-23-2.

(58) Funds donated or paid to a juvenile court by private sources, as provided in Subsection 78A-6-203(1)(c).

(59) Fees for certificate of admission created under Section 78A-9-102.

(60) Funds collected for adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

(61) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State Park, Jordan River State Park, and Green River State Park, as provided under Section 79-4-403.

(62) Certain funds received by the Division of Parks and Recreation from the sale or disposal of buffalo, as provided under Section 79-4-1001.

(63) Funds collected for indigent defense as provided in Title 77, Chapter 32, Part 8, Utah Indigent Defense Commission.

Section 23. Section **63J-1-602.2** is repealed and reenacted to read:

63J-1-602.2. List of nonlapsing appropriations to programs.

Appropriations made to the following programs are nonlapsing:

(1) The Legislature and its committees.

(2) The Percent-for-Art Program created in Section 9-6-404.

(3) The LeRay McAllister Critical Land Conservation Program created in Section 11-38-301.

(4) The Division of Wildlife Resources for the appraisal and purchase of lands under the Pelican Management Act, as provided in Section 23-21a-6.

(5) The primary care grant program created in Section 26-10b-102.

(6) The Utah Health Care Workforce Financial Assistance Program created in Section 26-46-102.

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- (7) The Rural Physician Loan Repayment Program created in Section 26-46a-103.
- (8) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.
- (9) The General Assistance program administered by the Department of Workforce Services, as provided in Section 35A-3-401.
- (10) A new program or agency that is designated as nonlapsing under Section 36-24-101.
- (11) The Utah National Guard, created in Title 39, Militia and Armories.
- (12) The State Tax Commission under Section 41-1a-1201 for the:
 - (a) purchase and distribution of license plates and decals; and
 - (b) administration and enforcement of motor vehicle registration requirements.
- (13) The Search and Rescue Financial Assistance Program, as provided in Section 53-2a-1102.
- (14) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- (15) The State Board of Education, as provided in Section 53F-2-205.
- (16) The State Board of Regents for teacher preparation programs, as provided in Section 53B-6-104.
- (17) The Medical Education Program administered by the Medical Education Council, as provided in Section 53B-24-202.
- (18) The Division of Services for People with Disabilities, as provided in Section 62A-5-102.
- (19) The Division of Fleet Operations for the purpose of upgrading underground storage tanks under Section 63A-9-401.
- (20) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.
- (21) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
- (22) The Utah Science Technology and Research Initiative created in Section 63M-2-301.
- (23) The Governor's Office of Economic Development to fund the Enterprise Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- (24) The Department of Human Resource Management user training program, as provided in Section 67-19-6.

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(25) The University of Utah Poison Control Center program, as provided in Section 69-2-5.5.

(26) A public safety answering point's emergency telecommunications service fund, as provided in Section 69-2-301.

(~~26~~27) The Traffic Noise Abatement Program created in Section 72-6-112.

(~~27~~28) The Judicial Council for compensation for special prosecutors, as provided in Section 77-10a-19.

(~~28~~29) A state rehabilitative employment program, as provided in Section 78A-6-210.

(~~29~~30) The Utah Geological Survey, as provided in Section 79-3-401.

(~~30~~31) The Bonneville Shoreline Trail Program created under Section 79-5-503.

(~~31~~32) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

(~~32~~33) Indigent defense as provided in Title 77, Chapter 32, Part 8, Utah Indigent Defense Commission.

Section 24. Section **63J-2-102** is amended to read:

63J-2-102. Definitions.

As used in this chapter:

(1) (a) "Agency" means each department, commission, board, council, agency, institution, officer, corporation, fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of the state.

(b) "Agency" does not include the legislative branch, the board of regents, the Utah Higher Education Assistance Authority, the board of trustees of each higher education institution, each higher education institution and its associated branches, centers, divisions, institutes, foundations, hospitals, colleges, schools, or departments, a public education entity, or an independent agency.

(2) [~~(a)~~] "Dedicated credits [~~revenues~~]" means [~~revenues from collections by an agency that are deposited directly into an account for expenditure on a separate line item and program]~~ the same as that term is defined in Section 63J-1-102.

[~~(b)~~ "Dedicated credits revenues" does not mean:]

[~~(i) federal revenues and the related pass-through or the related state match paid by one~~]

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~~agency to another;]~~

~~[(ii) revenues that are not deposited in governmental funds; or]~~

~~[(iii) revenues from any contracts;]~~

(3) "Fees" means revenue collected by an agency for performing a service or providing a function that the agency deposits or accounts for as dedicated credits ~~[or fixed collections]~~.

~~[(4) (a) "Fixed collections revenues" means revenue from collections;]~~

~~[(i) fixed by law or by the appropriation act at a specific amount; and]~~

~~[(ii) required by law to be deposited into a separate line item and program;]~~

~~[(b) "Fixed collections revenues" does not mean:]~~

~~[(i) federal revenues and the related pass through or the related state match paid by one agency to another;]~~

~~[(ii) revenues that are not deposited in governmental funds;]~~

~~[(iii) revenues from any contracts; and]~~

~~[(iv) revenues received by the Attorney General's Office from billings for professional services;]~~

~~[(5)]~~ (4) (a) "Governmental fund" means funds used to account for the acquisition, use, and balances of expendable financial resources and related liabilities using a measurement focus that emphasizes the flow of financial resources.

(b) "Governmental fund" does not include internal service funds, enterprise funds, capital projects funds, debt service funds, or trust and agency funds as established in Section 51-5-4.

~~[(6)]~~ (5) "Independent agency" means the Utah State Retirement Office and the Utah Housing Corporation.

~~[(7)]~~ (6) "Program" means the ~~[function or service provided by an agency for which the agency collects fees]~~ same as that term is defined in Section 63J-1-102.

~~[(8)]~~ (7) "Revenue types" means the categories established by the Division of Finance under the authority of this chapter that classify revenue according to the purpose for which it is collected.

Section 25. Section **63J-2-201** is amended to read:

63J-2-201. Accounting for fee revenues.

(1) The Division of Finance shall:

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- (a) establish revenue types;
 - (b) develop a computerized master file of revenue types containing, for each revenue type:
 - (i) the definition of each revenue type;
 - (ii) if available, a historical record of the amount collected for the revenue type for each of the five years;
 - (iii) the agency that collected the revenue;
 - (iv) the program, organization, and fund into which the revenue was originally recorded each year;
 - (v) a general description of the function where the largest portion of the revenue was spent each year;
 - (vi) the specific legal authority that authorizes the agency to collect the revenue;
 - (vii) the rates charged to the individuals or entities that pay the revenue;
 - (viii) the general methodology used to determine the rate charged to individuals or entities that pay the revenue;
 - (ix) for dedicated credits [~~revenues and fixed collections revenues~~], the revenue estimate used by the agency to prepare their budget;
 - (x) the amount appropriated as dedicated credits [~~revenues and fixed collections revenues~~] in the annual appropriation act; and
 - (xi) for revenues other than dedicated credits [~~revenues and fixed collections revenues~~], an estimate of the amount of revenue, if available or reasonably calculable; and
 - (c) make the computerized file available to the Budget Office and the Office of Legislative Fiscal Analyst upon request.
- (2) Each agency shall provide the Division of Finance with the information required by this section.
- Section 26. Section **63J-2-202** is amended to read:
- 63J-2-202. Disposition of revenues.**
- ~~[(1)(a) Each agency shall include in its annual budget request estimates of dedicated credits revenues and fixed collections revenues that are identified by, collected for, or set by the agency.]~~
- ~~[(b)]~~ (1) If the Legislature or the Division of Finance establishes a new revenue type by

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law, the agency shall include that new revenue type in its budget request for the next fiscal year.

~~[(c)(i)]~~ (2)(a) Except as provided in Subsection ~~[(1)(c)(ii)]~~ (2)(b), if any agency fails to include the estimates of a revenue type in its annual budget request, the Division of Finance shall deposit the money collected in that revenue type into the General Fund or other appropriate fund as free or restricted revenue.

~~[(ii)]~~ (b) The Division of Finance may not deposit the money collected from a revenue type not included in an agency's annual budget request into the General Fund or other appropriate fund if the agency did not include the estimates of the revenue type in its annual budget request because the Legislature had not yet established or authorized the new revenue type by law.

~~[(2)(a)(i)(A)]~~ Except as provided in Subsection ~~(2)(a)(i)(B)~~ or ~~(2)(b)~~, each agency that receives dedicated credits and fixed collections revenues greater than the amount appropriated to them by the Legislature in the annual appropriations act may expend the excess up to 25% of the amount appropriated if the expenditure is authorized by an amended work program approved as provided in Section 63J-1-209.]

~~[(B)]~~ Except for line items covering tuition and federal vocational funds at institutions of higher learning, any expenditure of dedicated credits in excess of amounts appropriated by the Legislature may not be used to permanently increase personnel within the agency unless approved by the Legislature.]

~~[(ii)]~~ The Division of Finance shall deposit the balance of that excess into the General Fund or other appropriate fund as free or restricted revenue.]

~~[(b)]~~ Notwithstanding the requirements of Subsection ~~(2)(a)~~, when an agency's dedicated credits and fixed collections revenues represent over 90% of the budget of the program for which they are collected, the agency may expend 100% of the excess of the amount appropriated if the expenditure is authorized by an amended work program approved as provided in Section 63J-1-209.]

~~[(3)]~~ Each agency that receives dedicated credits or fixed collections shall report, to the Division of Finance, any balances remaining in those funds at the conclusion of each fiscal year.]

Section 27. Section **63J-4-301** is amended to read:

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63J-4-301. Duties of the executive director and office.

(1) The executive director and the office shall:

(a) comply with the procedures and requirements of Title 63J, Chapter 1, Budgetary Procedures Act;

(b) under the direct supervision of the governor, assist the governor in the preparation of the governor's budget recommendations;

(c) ~~[advise the governor with regard to approval or revision of agency work programs]~~
review agency budget execution plans as specified in Section 63J-1-209;

(d) establish benchmarking practices for measuring operational costs, quality of service, and effectiveness across all state agencies and programs;

(e) assist agencies with the development of an operational plan that uses continuous improvement tools and operational metrics to increase statewide capacity and improve interagency integration;

(f) review and assess agency budget requests and expenditures using a clear set of goals and measures;

(g) develop and maintain enterprise portfolio and electronic information systems to select and oversee the execution of projects, ensure a return on investment, and trace and report performance metrics; and

(h) perform other duties and responsibilities as assigned by the governor.

(2) (a) The executive director of the Governor's Office of Management and Budget or the executive director's designee is the Federal Assistance Management Officer.

(b) In acting as the Federal Assistance Management Officer, the executive director or designee shall:

(i) study the administration and effect of federal assistance programs in the state and advise the governor and the Legislature, through the Office of Legislative Fiscal Analyst and the Executive Appropriations Committee, of alternative recommended methods and procedures for the administration of these programs;

(ii) assist in the coordination of federal assistance programs that involve or are administered by more than one state agency; and

(iii) analyze and advise on applications for new federal assistance programs submitted to the governor for approval as required by Chapter 5, Federal Funds Procedures Act.

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Section 28. Section **63N-8-103** is amended to read:

63N-8-103. Motion Picture Incentive Account created -- Cash rebate incentives -- Refundable tax credit incentives.

(1) (a) There is created within the General Fund a restricted account known as the Motion Picture Incentive Account, which the office shall use to provide cash rebate incentives for state-approved productions by a motion picture company.

(b) All interest generated from investment of money in the restricted account shall be deposited in the restricted account.

(c) The restricted account shall consist of an annual appropriation by the Legislature.

(d) The office shall:

(i) with the advice of the board, administer the restricted account; and

(ii) make payments from the restricted account as required under this section.

(e) The cost of administering the restricted account shall be paid from money in the restricted account.

(2) (a) A motion picture company or digital media company seeking disbursement of an incentive allowed under an agreement with the office shall follow the procedures and requirements of this Subsection (2).

(b) The motion picture company or digital media company shall provide the office with a report identifying and documenting the dollars left in the state and new state revenues generated by the motion picture company or digital media company for its state-approved production, including any related tax returns by the motion picture company, payroll company, digital media company, or loan-out corporation under Subsection (2)(d).

(c) For a motion picture company, an independent certified public accountant shall:

(i) review the report submitted by the motion picture company; and

(ii) attest to the accuracy and validity of the report, including the amount of dollars left in the state.

(d) The motion picture company, digital media company, payroll company, or loan-out corporation shall provide the office with a document that expressly directs and authorizes the State Tax Commission to disclose the entity's tax returns and other information concerning the entity that would otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code, to the office.

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(e) The office shall submit the document described in Subsection (2)(d) to the State Tax Commission.

(f) Upon receipt of the document described in Subsection (2)(d), the State Tax Commission shall provide the office with the information requested by the office that the motion picture company, digital media company, payroll company, or loan-out corporation directed or authorized the State Tax Commission to provide to the office in the document described in Subsection (2)(d).

(g) Subject to Subsection (3), for a motion picture company the office shall:

(i) review the report from the motion picture company described in Subsection (2)(b) and verify that it was reviewed by an independent certified public accountant as described in Subsection (2)(c); and

(ii) based upon the certified public accountant's attestation under Subsection (2)(c), determine the amount of the incentive that the motion picture company is entitled to under its agreement with the office.

(h) Subject to Subsection (3), for a digital media company, the office shall:

(i) ensure the digital media project results in new state revenue; and

(ii) based upon review of new state revenue, determine the amount of the incentive that a digital media company is entitled to under its agreement with the office.

(i) Subject to Subsection (3), if the incentive is in the form of a cash rebate, the office shall pay the incentive from the restricted account to the motion picture company, notwithstanding Subsections 51-5-3(23)(b) and ~~[63J-1-104(4)(c)]~~ 63J-1-105(6).

(j) If the incentive is in the form of a refundable tax credit under Section 59-7-614.5 or 59-10-1108, the office shall:

(i) issue a tax credit certificate to the motion picture company or digital media company; and

(ii) provide a duplicate copy of the tax credit certificate to the State Tax Commission.

(k) A motion picture company or digital media company may not claim a motion picture tax credit under Section 59-7-614.5 or 59-10-1108 unless the motion picture company or digital media company has received a tax credit certificate for the claim issued by the office under Subsection (2)(j)(i).

(l) A motion picture company or digital media company may claim a motion picture

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tax credit on its tax return for the amount listed on the tax credit certificate issued by the office.

(m) A motion picture company or digital media company that claims a tax credit under Subsection (2)(l) shall retain the tax credit certificate and all supporting documentation in accordance with Subsection 63N-8-104(6).

(3) (a) Subject to Subsection (3)(b), the office may issue \$6,793,700 in tax credit certificates under this part in a fiscal year.

(b) If the office does not issue tax credit certificates in a fiscal year totaling the amount authorized under Subsection (3)(a), it may carry over that amount for issuance in subsequent fiscal years.

Section 29. Section **73-18-25** is amended to read:

73-18-25. Fees to cover the costs of electronic payments.

(1) As used in this section:

(a) "Electronic payment" has the same meaning as defined in Section 41-1a-1221.

(b) "Electronic payment fee" has the same meaning as defined in Section 41-1a-1221.

(2) (a) The Motor Vehicle Division may collect an electronic payment fee on all registrations and renewals of registration under Section 73-18-7.

(b) The fee described under Subsection (2)(a) shall be imposed regardless of the method of payment for a particular transaction.

(3) The Motor Vehicle Division shall establish the fee according to the procedures and requirements of Section 63J-1-504.

(4) A fee imposed under this section:

(a) shall be deposited in the Electronic Payment Fee Restricted Account created by Section 41-1a-121;

(b) is not subject to Subsection [~~63J-2-202(2)~~] 63J-1-105(3) or (4); and

(c) need not be separately identified from the fees imposed on registrations and renewals of registration under Section 73-18-7.

Section 30. Repealer.

This bill repeals:

Section **63J-1-602.3, List of nonlapsing funds and accounts -- Title 46 through Title 60.**

Section **63J-1-602.4, List of nonlapsing funds and accounts -- Title 61 through Title**

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63N.

Section **63J-1-602.5, List of nonlapsing funds and accounts -- Title 64 and thereafter.**

Section 31. **Effective date.**

This bill takes effect on ~~{May 8}~~ July 1, 2018, except that the amendments to Section 63J-1-602.1 (Effective 09/30/18) take effect on September 30, 2018.

†

Legislative Review Note

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Section 32. Coordinating H.B. 475 with H.B. 105 -- Technical amendment.

If this H.B. 475 and H.B. 105, Medicaid Sanctions Amendments, both pass and become law, the Legislature intends that:

(1) the amendments to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 9/30/18) in this bill supersede the amendments to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 9/30/18) in H.B. 105;

(2) that the language "Sanctions collected as dedicated credits from Medicaid providers under Subsection 26-18-3(7)." be added as a subsection to Section 63J-1-602.2, numerically according to title placement; and

(3) the reference to "Section 63J-1-602.1" in Section 26-18-3 in H.B. 105 be changed to "Section 63J-1-602.2" when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 33. Coordinating H.B. 475 with H.B. 149 -- Technical amendment.

If this H.B. 475 and H.B. 149, Department of Alcoholic Beverage Control Funding Amendments, both pass and become law, the Legislature intends that the amendments to Section 63J-1-602.2 in this bill supersede the amendments to Section 63J-1-602.2 in H.B. 149, and that the language "Funds that the Department of Alcoholic Beverage Control retains in accordance with Subsection 32B-2-301(7)(a)(ii) or (b)." be added as a subsection to Section 63J-1-602.2 in this bill, numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

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Section 34. Coordinating H.B. 475 with H.B. 211 -- Technical amendment.

If this H.B. 475 and H.B. 211, Freight Switcher Emissions Migration, both pass and become law, the Legislature intends that the amendments to Section 63J-1-602.1 (Superseded 09/20/18) and Section 63J-1-602.1 (Effective 09/30/18) in this bill supersede the amendments to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18) in H.B. 211, and that the language "An appropriation made to the Division of Air Quality for grants for the reduction of freight switcher locomotive emissions under the Clean Air Retrofit, Replacement, and Off-road Technology Program, as provided in Section 19-2-203." be added as a subsection to Section 63J-1-602.2, numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 35. Coordinating H.B. 475 with H.B. 247 -- Technical amendment.

If this H.B. 475 and H.B. 247, Amusement Ride Safety Inspections, both pass and become law, the Legislature intends that the amendments to Section 63J-1-602.2 in this bill supersede the amendments to Section 63J-1-602.2 in H.B. 247, and that the language "The Amusement Ride Safety Account created in Section 34A-12-203." be added as a subsection to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18), numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 36. Coordinating H.B. 475 with H.B. 380 -- Technical amendment.

If this H.B. 475 and H.B. 380, Utah School Readiness Initiative Amendments, both pass and become law, the Legislature intends that the amendments to Section 63J-1-602.2 in this bill supersede the amendments to Section 63J-1-602.2 in H.B. 380, and that the cross reference to the School Readiness Restricted Account be changed from "53F-9-402" to "35A-3-210", when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 37. Coordinating H.B. 475 with H.B. 390 -- Technical amendment.

If this H.B. 475 and H.B. 390, Rural Economic Development Incentives, both pass and become law, the Legislature intends that the repeal of Section 63J-1-602.4 in this bill supersedes the amendments to Section 63J-1-602.4 in H.B. 390, and that the language "Appropriations to fund the Governor's Office of Economic Development's Rural Employment

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Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program." be added as a subsection to Section 63J-1-602.2, numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 38. Coordinating H.B. 475 with H.B. 395 -- Technical amendment.

If this H.B. 475 and H.B. 395, Technology Innovation Amendments, both pass and become law, the Legislature intends that the repeal of Section 63J-1-602.4 in this bill supersedes the amendments to Section 63J-1-602.4 in H.B. 395, and that the language "Appropriations to the Department of Technology Services for technology innovation as provided under Section 63F-4-202." be added as a subsection to Section 63J-1-602.2, numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 39. Coordinating H.B. 475 with S.B. 54 -- Technical amendment.

If this H.B. 475 and S.B. 54, Marriage and Premarital Counseling and Education Amendments, both pass and become law, the Legislature intends that:

(1) the amendments to Section 63J-1-602.1 (Effective 09/30/18) in this bill supersede the amendments to Section 63J-1-602.1 (Effective 09/30/18) in S.B. 54;

(2) the language "Dedicated credits accrued to the Utah Marriage Commission as provided under Subsection 17-16-21(2)(d)(ii)." be added as a subsection to Section 63J-1-602.2, numerically according to title placement; and

(3) the reference to "Subsection 63J-1-602.1(8)" in Section 63I-1-263 in S.B.54 be updated to the correct citation to the language added to Section 63J-1-602.2 in Subsection (2) above, and that the language ", referring to dedicated credits accrued to the Utah Marriage Commission," be added after the corrected citation, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 40. Coordinating H.B. 475 with S.B. 161 -- Technical amendment.

If this H.B. 475 and S.B. 161, Nurse Home Visiting Pay-for-success Program, both pass and become law, the Legislature intends that the amendments to Section 63J-1-602.1 (Superseded 09/20/18) and Section 63J-1-602.1 (Effective 09/30/18) in this bill supersede the amendments to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18) in S.B. 161, and that:

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(1) the language "The Nurse Home Visiting Restricted Account created in Section 26-62-601." be added as a subsection to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18), numerically according to title placement; and

(2) the subsection reference to the fund in Subsection 63I-1-263(12) in S.B. 161 be updated to reflect the fund's placement in Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18), and that the language ", Nurse Home Visiting Restricted Account" be added after each updated subsection reference, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

Section 41. Coordinating H.B. 475 with S.B. 174 -- Technical amendment.

If this H.B. 475 and S.B. 174, Higher Education Capital Facilities, both pass and become law, the Legislature intends that the repeal of Section 63J-1-602.3 in this bill supersedes the amendments to Section 63J-1-602.3 in S.B. 174, and that:

(1) the language "The Technical Colleges Capital Projects Fund created in Section 53B-2a-117." be added as a subsection to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18), numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication; and

(2) the language "The Higher Education Capital Projects Fund created in Section 53B-22-202." be added as a subsection to Section 63J-1-602.1 (Superseded 09/30/18) and Section 63J-1-602.1 (Effective 09/30/18), numerically according to title placement, when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.